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DISPATCH NO. MOL-A- 7730

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TO : Chief, Foreign Division M DATE: 10 August 1951
FROM : Chief of Station, Karlsruhe: R
SUBJECT: GENERAL - Operational
SPECIFIC: [] - GLOBKE Meeting, 9 August 1951

1. [] and [] talked with Dr. GLOBKE at Bad Gastein on 9 August 1951. [] opened the discussion by reviewing very briefly our relations to ZIPPER, the concept of trusteeship, and our belief that a mutually satisfactory arrangement could be made between ourselves and UPGROWTH for the transfer of all or part of ZIPPER to UPGROWTH at some future date. No detailed statement on this subject was called for because of the McCloy-UPTHURST talk and GLOBKE's subsequent briefing in Pullach.

2. GLOBKE replied by saying that he could not reconcile McCloy's statement to UPTHURST about ZIPPER with a recent remark made in the official record at Petersburg relating to German troop contingents. His version of the statement was that German troop contingents would not be allowed to have their own G-2. It is our understanding that this is substantially correct, that the G-2 function on the staff level is not permitted at present because General Staff functions on the part of the Germans have not yet been approved.

3. GLOBKE raised this point, we think, in order to emphasize the difference between the unilateral American position concerning German intelligence and that assumed by the Allies. In fact, he answered his own question by saying that it was his belief that the French and British were holding back in the matter of G-2 arrangements. We could, of course, not comment on the point more than to say we were hopeful that at some future date an understanding would be reached between the Allies and UPGROWTH which would permit official talks to take place concerning the future of ZIPPER.

4. We then remarked that ZIPPER, when it is taken over by UPGROWTH, must not be the instrument of one party but be apolitical and national. GLOBKE stated that this view is held by UPTHURST. He had recently talked to UPTHURST about it and could therefore give us firm assurances on this point. He further illustrated UPTHURST's position by stating that UPTHURST had instructed the USANCE office to pass all material of general interest

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to [] and that UPTHRUST intended to have similar instructions issued to ZIPPER whenever ZIPPER comes under UPGROWTH control. He also pointed out that UPTHRUST had taken cognizance of the UTILITY-[] meeting, and implied that UPTHRUST was satisfied with the outcome of this meeting.

5. GLOBKE appeared to be most eager that the Verfassungsschutz continue as the internal security instrument of UPGROWTH after ZIPPER is taken over. He said that some people argued in favor of a supreme intelligence co-ordinator but that he does not consider the appointment of any one individual in control of all aspects of intelligence and security as either necessary or sound. The closest and most cordial working relationships between ZIPPER and the Verfassungsschutz at some future date will of course be necessary.

6. GLOBKE stated that CAPOTE will be released from UPGROWTH and his office closed as soon as ZIPPER can assume an official relationship to UPGROWTH. He said that UPTHRUST has investigated CAPOTE's background and present connections, and is not satisfied with him. It would be impossible at the moment, however, simply to throw CAPOTE out on the street, because he knows too much.

7. On the subject of financing ZIPPER after it has been officially accepted by UPGROWTH, GLOBKE quoted [] as having said that we would continue a financial interest. He added that of course UPGROWTH will want to assume more and more of the burden as it becomes possible to do so.

8. We asked him whether present working relationships between ZIPPER and UPGROWTH were satisfactory. I mentioned UTILITY's briefing of UPTHRUST and the working level agreements reached between ZIPPER and the VS. GLOBKE said that in general things were very satisfactory. I believe it was at this point that he mentioned his desire to release CAPOTE. The only other problem that seemed to bother him appeared to have resulted from a remark by UTILITY that JOHN, the head of the VS, is investigating ZIPPER. GLOBKE stated that this may be a simple misunderstanding or a single incident, in which case he depreciates it. He intends, however, to call JOHN in and discuss the matter with him, and if it develops that JOHN has taken a hostile attitude towards ZIPPER and is in any way trying to undermine it, he will point out to JOHN that such a policy is not tolerated.

9. At the end of the talk, we asked GLOBKE confidentially whether the personality of UTILITY is acceptable to UPTHRUST. His answer was "yes" - and he made it in a direct and emphatic way. He went on to say that both he and UPTHRUST realize that UTILITY is no CANARIS but that UPTHRUST has been most impressed with UTILITY's calm and objective analysis of items of intelligence. He particularly mentioned the time

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a month or so ago when Minister President ZINN, of Hesse, arrived in UPTHRUST's office with a hot report, and UTILITY, being there, dissected the report item by item, differentiating between those bits of information already known, analysed and not believed to be alarming; those not known but probably dubious; and the hasty conclusions that had been arrived at in the report. UTILITY's professionalism on this case seems to have made a deep impression.

10. In addition to our talk about ZIPPER, GLOBKE volunteered a statement on the problem of political refugees from the satellites and Eastern European expellees. He started out by saying he realized that this problem does not necessarily fall under the competence of either the VS or a future GIS but that it is closely parallel to both. He would like, in the first place, to be sure that either UPGROWTH or someone among the Allies is fully aware of the importance of developing a policy relating to the future of the satellite states in the contingency of war and subsequent liberation. He cited in this connection a treaty recently drawn up between the Slovaks and the Sudetens and explained that, in his view, the publication of such treaties, drawn up without the guidance of the Allies and possibly at variance with Allied policy, is in itself a dangerous thing. He then went on to say that UPGROWTH feels very strongly the need for liaison with the Allied governments in these matters because both Czechoslovakia and Poland, at least, are contiguous to Germany and a great many of the refugees from these countries are in Germany. He feels that between the Germans and the Western Allies there should be some sort of an agreement relating to the satellites. JUST how we could reach agreement in these matters and who should take the initiative or assume final responsibility for policy are matters that cannot be answered at the moment. I had the distinct feeling that he did not want to create the impression that UPGROWTH is pressing for authority in these matters but rather that he felt they were potentially of extreme importance to UPGROWTH and that the Germans would accept guidance and negotiate as a junior partner.

11. Another aspect of this problem is GLOBKE's fear that various groups of expellees and refugees in Germany are being encouraged in their irredentism and that nothing is being done to counteract the propaganda of the hot-heads. He of course did not say that irredentism among these groups is sponsored by any American or Allied authority, but we assume the reason he brought the matter up is that he suspects this to be the case. The official UPTHRUST position, insofar as he could give it, is to attempt to educate the Eastern elements residing in Western Germany to the idea that they are here to stay and that they should become useful citizens of the Bundesrepublik. This policy, in our view, seems to be entirely in line with UPTHRUST's established position vis-a-vis the East. Berlin has reported on it frequently, and much has been said on the part of UPTHRUST's critics about his relative coolness regarding the fate of East Germany.

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12. [] and I feel that GLOBKE's comments on this subject present us with an opportunity to continue profitable discussions informally with UPGROWTH. The value of expellees and refugees from the satellites to intelligence makes this subject one of common interest to ourselves and to ZIPPER. Furthermore, the German station is obligated to make some arrangement with UPGROWTH, directly or through the GIS, to provide for the continuation of American intelligence activities using these groups. The problem is complicated, however, by the presence of ZACACTUS in the picture, their political objectives, and by the fact that the final say in all matters relating to the political future of East Germany and the satellites rests with ZASEAL. If I interpret GLOBKE's comments correctly, they are entirely in accord with ZASEAL's views as recently outlined in a letter from Sanborn relating to the future of Czechoslovakia.

13. In view of the bureaucratic complexity surrounding this problem and the importance of the problem itself, we will not make any further move without your guidance. We are, however, most eager that the staff work done on it take into consideration intelligence needs, and that any solution to it which will permit further talks with GLOBKE or other members of UPGROWTH be arrived at in common between ourselves, ZACACTUS, and ZASEAL. The worst possible thing that can happen would be to have our intelligence relations with UPGROWTH and ZIPPER fouled up by lack of co-ordination.

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